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Mexico

THE IRAN NEXT DOOR?

By CONSTANTINE MENGES

For The San Diego Union

Last February, the president of Mexico bluntly told President Carter that both countries "have not decided what we are willing to make of our relationship." Those words reflected frustration felt by the Mexican leaders because they had hoped to use the Mexico City summit for comprehensive negotiations on major issues. Unfortunately, preoccupied by the fall of the Shah in Iran, the United States was prepared for little more than cordial ceremony.

There has been virtually no progress in the months since that visit. Instead the White House and State Department undermined the current ambassador by telling the press of his impending recall. A promised special ambassador who would coordinate and lead the many federal agencies involved in our negotiations with Mexico has not yet been appointed by the President. Nor has much sustained attention been given to Mexican issues by our top leadership.

Relations with Mexico involve millions of individuals, billions in transactions, vital sources of scarce energy and basic elements of our national security. As in the case of Iran under the Shah, there is a widespread complacency about political and economic trends in Mexico which could create very serious problems. Now is the time for a closer look at the realities underlying past, present and future relations between our two nations.

Most Americans are unaware that normal relations with Mexico were only restored in 1940 after a century of sharp conflict about territory and economic issues. A legacy of mistrust and suspicion was the result of three wars — the most recent in 1917 — the loss of substantial Mexican territory and differences in national development and cultural traditions. Within both

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nations, but for different reasons, there is a dualism of feeling about the other which contains strong elements of attraction and hostility.

The Mexican revolution of 1910 is in many respects a metaphor and precedent for the dangers facing both Mexico and the United States in the early 1980s. That revolution came after many years of political dictatorship, massive foreign investment and overall economic growth which had left the majority of the Mexican people in deep poverty. It brought three decades of internal conflict, the expropriation of foreign investments and a foreign policy of anti-capitalist and especially anti-American rhetoric and action. Today there are elements of similarity which suggest that some groups in Mexico might be working for a second revolution.

During the last four decades, especially since the 1950s, there has been enormous economic growth in Mexico, along with a return of foreign investment and credit from public and private sources. Economic growth per person was 7.3 percent during the 1960s and 5.5 percent during the 1970s, among the highest in the world. There have also been substantial gains in social benefits, including from 1960 to 1975 a three-fold increase in secondary and higher education enrollments, a doubling of the population covered by social insurance and substantial increases in literacy (to 76 percent) and life expectancy.

Unfortunately, these positive changes have been accompanied by an enormous increase in population and the inability of the current government

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to improve income distribution. Mexico's population increased from 38 million in 1960 to 70 million this year and, even under optimistic assumptions, would reach 95 million by 1990. The distribution of income in Mexico is among the most unequal in Latin America. The upper fifth of the population receives 56 percent of the total while the bottom 40 percent (28 million people) must struggle to survive on a yearly income of \$200.

Nearly 1 million young people become old enough to work each year, but the economy has not been able to provide nearly enough new jobs. The result is that 40 to 50 percent of the active labor force is unemployed or underemployed. This in turn creates the desperate pressure for immigration to the United States. During the 1970s, an estimated 4 million Mexicans became illegal residents in this country. At current rates, this population is expected to increase by 1 million a year during the next decade, which would mean a total illegal Mexican population of roughly 12 million by 1985.

The economic benefits from the newly discovered Mexican oil and gas reserves, along with expanded trade, could offer a new opportunity to cope with the ever-growing economic and social pressures. Yet the experience of Iran demonstrates that this new wealth might also raise expectations, increase inflation and internal conflicts, disrupt established social patterns and highlight institutional weaknesses such as corruption without providing much tangible help for the very poor.

It is probable that the wealthy, established groups will try to squeeze every financial advantage out of the new oil money while the powerful, radical left will bend every effort to bring about a repetition of the Iran experience. The professed goal of the radical left will probably be to replace the "corrupted" semi-authoritarian system of the Institutional Revolutionary Party (PRI) with an "authentic renewal" of the revolution of 1910, with special emphasis on the egalitarian and anti-American aspects.

On the surface, especially from a distance, the current Mexican political system appears stable. However, some observers and some Mexican leaders understand that there are significant forces of radical left opposition. These forces include influential elements in organized labor (especially among oil and transport workers), peasant groups (most active in the northwest states), most of the activist university faculty and students and many other intellectuals. After the success of Fidel Castro in 1959, Mexico saw large scale peasant and labor disturbances, the formation of a radical left coalition in 1961 and large student uprisings in 1966 and 1968.

A number of Soviet KGB officials were expelled by Mexico in 1959 for their role in organizing those anti-government demonstrations and again in 1968 because they had provided funds and training for a large network of urban guerrillas who were to launch "red brigade" type attacks. In fact, more than five terrorist groups of the communist and radical left are currently active.

The example of Iran, the war against Somoza in Nicaragua and the real prospects for success might tempt the various Mexican radical groups to establish a broad coalition which joins all dissatisfied elements together in a coordinated effort to overthrow the current system.

poor most, near civil insurrection in a number of rural areas, and strained relations with the United States.

The converging stresses of the next few years will put ever greater pressures on the stability of the Mexican political system. Private

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A preview of the fragility of Mexico was provided by President Luis Echeverria (1970-1976). Unable to overcome the resistance of wealthy Mexicans to his attempt to raise tax revenues from them, Echeverria tried to obtain support from the powerful left by a foreign policy of Third World and anti-imperialist symbolism which pleased their anti-American sentiments. The end result of his hyper-nationalism was a succession of lost international economic opportunities, mounting inflation, a devaluation which hurt the

foreign bank loans soared from \$3.2 billion in 1970 to \$22 billion by 1977. The growing debt repayment burden could act as one catalyst for anti-American feeling. At the same time, the Mexican leadership will undoubtedly continue to find negotiations with the United States difficult. It may decide to use nationalism and anti-imperialist postures as a means of keeping the radicals quiet and getting concessions from the United States.

But the end result of this approach in the two-year-long controversy

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The Search For U.S., Mexico Rapport Is Crucial To Both

over the natural gas price was that Mexico literally burned up nearly \$1.5 billion in revenues it could have had in 1978. The natural gas impasse illustrates the dangers posed by the bargaining style adopted in both countries.

As the pace and scope of the United States-Mexican negotiations intensify, the radical left will probably try harder to intimidate the Mexican government into a hyper-nationalist position by accusing it of bowing to "imperialist pressure" if it makes reasonable demands and compromises.

Thus, a dilemma faces both governments. If Mexico adopts unreasonable positions which prevent agreement, it will undermine stability by further increasing the social and economic difficulties of the nation. And, if the United States gives in to unreasonable Mexican demands on one or two issues which involve large costs, the likely effect would be a mobilization of American economic interest group pressures that would make compromise more difficult in other areas. Traditional-

ly, American economic interests are concerned with only their own, specific financial results and they will use all their resources to prevent any concessions on political grounds. Thus, it will be a large task for either government to overcome the limitations imposed by recent history and domestic political forces.

Yet the effort to reach fair agreements with Mexico must be given top priority by our government now. Time is running short because the American elections will distract our leadership in 1980. In addition, this is the moment to search for ways to bring about a genuine breakthrough toward far greater realistic mutual understanding. This should include arrangements for encouraging individuals in many fields to meet each other and share information about both nations' values, institutions and accomplishments. The ultimate stake in this delicate interplay of domestic and foreign politics may well be in the survival of the current Mexican political system or its replacement by a revolutionary regime hostile to the United States.

OPINION AND COMMENTARY

Mexico's Central America strategy

By Constantine C. Menges

The most important and least understood issue in the current United States-Mexican relationship is the communist threat in Central America and the correct response to it.

Currently the Mexican strategy is to support the "leftist coalition" in Nicaragua, El Salvador, and Guatemala without seeking or urging any guarantee of free elections, political liberties, and the like. Mexico's hypothesis is that, given the failure of the Carter administration to halt the Sandinista victory in Nicaragua in 1979 and the growth of the revolutionary forces in El Salvador and Guatemala through 1980, its only successful strategy must be to "moderate the extremist left" by supporting the revolutionary groups.

Examples of this discreet but officially sanctioned support will illustrate how active and assertive Mexico has become in Central America.

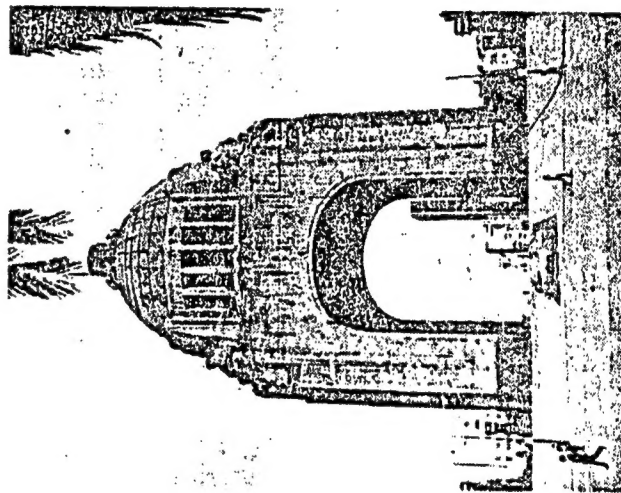
• **Nicaragua.** During the revolution against Somoza, starting in late 1978, Mexico contributed money to buy weapons for the FSLN (Sandinista Liberation Front) and permitted its territory to be used for facilitating the flow of guerrillas, weapons, and propaganda for the FSLN. In May 1979 Mexico broke diplomatic relations with Somoza. López Portillo personally called for the overthrow of "that horrendous dictatorship," terminated all sale of petroleum products, recognized the "provisional revolutionary government of Nicaragua," then based in Costa Rica, and worked with Cuba and others to coordinate expanded practical help from many sources during the final military offensive in June and July 1979.

After the revolution Mexico adopted a policy of "unconditioned support" for the Nicaraguan government of National Reconstruction, making absolutely no distinction between the Marxist-Leninist groups and the genuinely democratic elements who combined to overthrow Somoza and never mentioning the promises for free elections, parties, press, and trade unions made by the FSLN to the OAS. Following the Carter/Reagan accusations of Nicaraguan help for the revolutionary groups in El Salvador, the then president of the Mexican government party, the PRTI, visited Nicaragua to pledge complete solidarity.

• **Guatemala.** President López Portillo cancelled a scheduled visit in 1979 and since then has followed a generally consistent policy of keeping an official distance from the Lucas government. In 1980 the Mexican ambassador was recalled but relations and oil sales continued. In March 1980 Mexico promised the Salvadoran communist party that during the final offensive against the government Mexico would send troops to the Guatemalan border to prevent the Guatemalan army from helping the Salvadoran army.

These maneuvers were announced on Dec. 5, 1980, and conducted just before and during the final offensive in El Salvador (January 1981) with observers from the Guatemalan army invited ostensibly to verify that there were no camps for the communist guerrillas from Guatemala in Mexican territory. In fact, there are strong allegations of tacit Mexican approval for the establishment in Mexico of networks which provide money, medicines, food, and perhaps even weapons to the revolutionary forces in neighboring Guatemala.

Since a revolutionary Guatemala might become a sanctuary for guerrillas and terrorists operating in the southern oil-rich regions of Mexico, the consequences of Mexico being wrong about its strategy could be very severe for its people.



By Gordon N. Converse, chief photographer

Mexico City's Monument of Revolution

and for the United States as well.

• **El Salvador.** During 1980, Mexico gave consistent support to the armed revolutionary groups. This was done by the PRTI, acting for the government, and involved permission for the "Revolutionary Democratic Front" (FRD) to use Mexican territory as its propaganda base and to facilitate help for the guerrillas. There are reports that in the summer of 1980 the president of the PRTI promised the communist coordinating leadership of the El Salvador guerrillas (the DRU): Unified Revolutionary Directorate) extensive, clandestine support through the PRTI apparatus (funds, propaganda, safehouses), action against any Honduran support for the El Salvador government, and the holding of a conference on world solidarity with the revolution in El Salvador.

Following the US election in November 1980 preparations began for the final offensive in El Salvador. Mexico then took the following actions: in late November 1980 a "demand" by the Mexican trade union federation that the government stop selling oil and break diplomatic relations with El Salvador; the conference on world solidarity with El Salvador, in December 1980 the ambiguous military maneuvers on the Guatemalan border and an enormous increase in Mexican government and media support for the Salvadoran guerrillas, along with additional funds for propaganda and permission for a "government in exile" to be based in Mexico.

The United States must communicate to Mexico that it understands the Mexican strategy but believes it is mistaken because of the fundamental differences in outlook and power between the hard-core communist groups which control the "leftist coalition" in Nicaragua, El Salvador, Guatemala and the moderate reformist left which Mexico hopes to encourage.

A better way to promote reform, stability, and constitutional government would be an approach which consists of support for the center as well as democratic left forces and which condemns equally the violence of the extreme left and extreme right.

Mexico, as a sovereign state, will of course pursue its own policy. However, it would be advisable to discuss the facts and alternatives in Central America at greater length in follow-up meetings at a senior level in the wake of the Reagan-López Portillo summit. Ambassador John Gavin has impressed Washington with his intelligence, serious dedication, and knowledge of Mexico. Combine these qualities with his close relationship to President Reagan, and the prospects for effective diplomacy are excellent.

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